

BUDGET LETTER

NUMBER: 11-19

SUBJECT: 2012-13 SALARIES AND WAGES SPREADSHEET
(AUTHORIZED POSITIONS AND COST ESTIMATES)

DATE ISSUED: JULY 29, 2011

REFERENCES: GOVERNMENT CODE SECTION 12439

SUPERSEDES: BL 10-19

TO: Departmental Budget Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

BUDGET OFFICERS ARE REQUESTED TO FORWARD A COPY OF THIS BUDGET LETTER TO DEPARTMENTAL PERSONNEL OFFICERS.

This Budget Letter (BL) provides departments with instructions for preparing the 2012-13 Salaries and Wages Spreadsheet (Schedule 7A).

Note: Departments must build the 2012-13 Salaries and Wages Publication from the final 2011-12 Salaries and Wages spreadsheets that will be provided electronically by your Finance budget analyst.

<i>Deadlines and Deliverables</i>	
On or before September 26, 2011	<p>Departments must complete and return the following documents:</p> <ul style="list-style-type: none">▪ Hard copy of the Salaries and Wages spreadsheet▪ Hard copy of the signed Personnel Years System worksheet▪ Electronic version of the Salaries and Wages spreadsheet <p>Departments must provide copies of the following backup documentation:</p> <ul style="list-style-type: none">▪ Schedule 8 Report▪ Supplementary Schedule 8 Report▪ Schedule 8 Summary (Form 33)▪ Supplementary Schedule 7A Report

I. SALARIES AND WAGES SPREADSHEET

Similar to last year, position and salary information is compiled and maintained on an Excel spreadsheet. An electronic copy of the final 2011-12 Salaries and Wages spreadsheet will be distributed to the departments by your Department of Finance (Finance) budget analyst by mid-August. Departments must reconcile position and salary information, **complete and return the following documents along with all required backup documentation to your Finance budget analyst no later than September 26, 2011:**

- Hard copy of the Salaries and Wages spreadsheet
- Hard copy of the signed Personnel Years System worksheet
- Electronic version of the Salaries and Wages spreadsheet

Departments must submit copies of the following backup documentation with the Salaries and Wages documents:

- Schedule 8 Report
- Supplementary Schedule 8 Report
- Schedule 8 Summary (Form 33)
- Supplementary Schedule 7A Report

II. STATE CONTROLLER REPORTS

The State Controller's Office (SCO) has released the following reports directly to departments:

- Finance Conversion Code Report
- Schedule 8 Report
- Supplementary Schedule 8 Report
- Supplementary Schedule 7A Report
- Abolished Vacant Position Report
- Blanket Balance Position Expenditure Report

Any adjustments made to these reports must be reflected on the Salaries and Wages spreadsheet in accordance with the guidelines outlined in the State Administrative Manual (SAM) Sections 6415, et seq. Attachment A describes the documents used by departments to develop the Salaries and Wages Publication.

III. SALARIES AND WAGES SPREADSHEET PREPARATION

Departments must comply with the following instructions:

1. **Career Executive Assignment Positions**—Reflect the salary range for all Career Executive Assignment (C.E.A.) positions as follows: C.E.A. I = \$6,173 - \$7,838; C.E.A. II = \$7,815 - \$8,616; C.E.A. III = \$8,594 - \$9,476; C.E.A. IV = \$9,018 - \$9,939; C.E.A. V = \$9,544 - \$13,381. Maximum rate for non-physicians, non-attorneys, and non-engineers is \$10,520. Maximum rate for physicians, attorneys, and engineers is \$13,381. These salary ranges reflect base pay range before furloughs or Personal Leave Program (PLP).
2. **Merit Salary Adjustments**—Merit Salary Adjustment (MSA) expenditure projections, except for C.E.A. positions, are included on the Schedule 8 by the SCO. C.E.A. salary levels must be adjusted manually to reflect the proper levels. The current 2011-12 Budget does not include statewide funding for MSAs. Any net costs incurred by departments for this purpose must be absorbed from within existing resources.
3. **Permanent Employees**—Generally, all permanent employees (full-time and part-time) must fill established positions. Permanent positions should not be budgeted in blanket authorizations.
4. **Salary Range**—Include a corresponding salary range for each classification. These salary ranges reflect base pay range before furloughs and PLP. Within each segment of the Salaries and Wages spreadsheet, sort positions in descending order according to the **minimum step of the salary range**.

5. **Partial-Year Authorizations**—Positions that are authorized for less than a full fiscal year must reflect the **net position count** and the **net associated dollars**.
6. **Temporary Help Authorizations**—Display personnel years for all three years, including personnel years for student assistants, seasonal, and other personnel used for temporary purposes. Do not include permanent employees (full-time or part-time) other than permanent intermittent in the temporary help authorizations.
7. **Overtime**—Budget overtime as a separate line entry. Do not display personnel years for overtime.
8. **Blanket Authorizations**—Departments no longer need to submit Standard 607s through Finance to establish blankets for payment of temporary help, overtime, etc. The SCO no longer controls expenditures from established blankets to any specified funding level. Each department, however, should establish internal controls and continue to monitor all blanket expenditures to ensure that expenditures do not exceed budgeted funds. The SCO will continue to pay from blankets and submit monthly and year-end blanket expenditure reports to each department.
9. **Reorganizations**—Reorganizations, which are proposed for the 2012-13 Budget, must first be approved by Finance. Upon Finance’s approval, reflect a condensed version of proposed reorganizations in the Changes in Authorized Positions, not in the Salaries and Wages spreadsheet.
10. **Limited-Term Positions**—A limited-term position is any position that has been authorized for a specific length of time with a set termination date. List all limited-term positions at the end of the Salaries and Wages presentation in footnote format following the “**Continuously Vacant Positions Abolished by the State Controller per Government Code Section 12439**” display.
11. **Continuously Vacant Positions**—Chapter 1124, Statutes of 2002, made major changes to Government Code section 12439 relating to the abolishment of continuously vacant positions. The major changes include:
 - The SCO identifies and abolishes positions that are vacant for six consecutive monthly pay periods, irrespective of fiscal years. The rolling six months began July 1, 2002.
 - Departments can self-certify reestablishments by August 15 for positions that meet specified conditions during the vacancy period.
 - Departments may not execute any personnel transactions for the purpose of circumventing the provisions of the section, e.g., 120 transactions.
 - Each department is required to include information discussing its compliance with this section when it prepares its report pursuant to Government Code section 13405.

On July 1 of each year, the SCO abolishes the continuously vacant position(s). These abolished positions are not included on the Schedule 8. The SCO generated an initial listing for departments in mid-July. The positions identified for abolishment can be eliminated from the abolishment listing for any SCO technical errors, departmental

self-certifications of positions to be exempted from the abolishment, or any Finance authorized reestablishments meeting specified criteria by specified deadlines. Any of these approved adjustments must be added via Form 33 and the Salaries and Wages (Schedule 7A).

12. Vacant Positions—Reflect vacant positions at the first step of the appropriate classification, except for positions within interchangeable classes. Reflect vacant positions with interchangeable classes at the minimum step of the: (a) lowest salary range for groups consisting of two classes, (b) middle salary range for groupings which contain an odd number of classes, or (c) lowest salary range of the lowest classification of the two middle classes for groupings which contain an even number of classifications in excess of two.

13. Subtotals—Include the following subtotal lines below the **TOTALS, AUTHORIZED POSITIONS** line:

- Regular/Ongoing Positions
- Temporary Help
- Overtime

There is no need to include a subtotal line that displays zero for positions and dollars for all three years.

14. Personnel Years System Worksheet—Departments will receive a Personnel Years System Worksheet with their Salaries and Wages spreadsheet. This information will be used to develop the Summary Schedule 4 (Personnel Years and Salary Cost Estimates) for the 2012-13 Governor's Budget Summary. Enter the authorized positions and dollar amounts (in thousands) for civil service (including all blankets), statutory, constitutional, and exempt, on the worksheet.

It is the department's responsibility (department head or designee) to sign each worksheet to certify that existing positions established on the SCO position roster, as amended by the appropriate department payroll and position documents, reflect the approved program. Certification to the SCO is no longer required (SAM Section 6521).

15. Standard Abbreviations (Attachment B)—Use only the abbreviations in the attached listing.

16. Salary Adjustments—Current collective bargaining agreements propose a variety of salary adjustments for some state employees. Funding adjustments for these salary changes will be addressed in the forthcoming Employee Compensation Adjustments BL. Salary adjustments will need to be included in the budget spreadsheets, not the Salaries and Wages spreadsheets.

17. Personal Leave Program (PLP) Adjustments—The Schedule 8, issued recently by the SCO, reflects PLP adjustments for the 2011-12 and 2012-13 fiscal years for all positions filled as of June 30, 2011. Although for most departments the PLP is currently scheduled to end sometime in the 2011-12 fiscal year, the Schedule 8 reflects the PLP reduction for the entire 2011-12 and 2012-13 fiscal years. Additionally, PLP reductions are not reflected in the Schedule 8 for vacant positions. Therefore, Finance has inserted a single row labeled "PLP Adjustments" at the end of each department's Salaries and Wages spreadsheet above the "TOTALS, AUTHORIZED POSITIONS" row as shown in Attachment C. Departments are responsible for providing the PLP adjustment amounts

on the "PLP Adjustments" line using the instructions below.

The "PLP adjustments" line in the 2011-12 fiscal year must include the net of a reduction in expenditures calculated on vacant positions for the portion of 2011-12 that is affected by the PLP, and an increase in expenditures calculated on filled positions for the portion of 2011-12 that is not affected by the PLP. The "PLP Adjustments" line in the 2012-13 fiscal year must display an increase to salaries and wages expenditures to remove the impact of the PLP calculated from filled positions. All "PLP Adjustments" line amounts for both 2011-12 and 2012-13 fiscal years should be calculated based on the vacant or filled status of positions as of June 30, 2011.

If you have any questions regarding this BL, please contact your Finance budget analyst.

/s/ Veronica Chung-Ng

Veronica Chung-Ng
Program Budget Manager

Attachments

**DOCUMENTS USED IN THE DEVELOPMENT
OF THE SALARIES AND WAGES PUBLICATION**

Finance Conversion Code (FCC) Report—The FCC Report and instructions were released to state departments by the State Controller's Office (SCO). Departments were requested to review this report and make all required changes to enable the SCO to update the FCC information. This information was historically used by the SCO to prepare the information contained in the initial Salaries and Wages Schedule 7A galley proofs. However, similar to the last several years, the FCC information was not incorporated on the initial Salaries and Wages spreadsheets distributed to departments. Departments must incorporate these changes into the spreadsheets.

Schedule 7A Spreadsheet—The Schedule 7A spreadsheet represents a summary listing of all authorized regular/ongoing positions by classification within each reporting unit as of a specified point in time. The initial Schedule 7A spreadsheets display position information authorized as of June 30, 2011.

Supplementary Schedule 7A—This listing provides information on positions and expenditures for which Agency/Reporting Unit Codes were not shown on the FCC Report described above. Departments must add the information on the Supplementary Schedule 7A to the Schedule 7A spreadsheet.

Schedule 8—A listing of approved established regular/ongoing positions with related personnel information, including past year expenditures by class code and estimated expenditures for the current and budget years for each position.

Supplementary Schedule 8—A listing of current year and budget year information on employees for which there are no established positions (by Standard Form 607 action) to continue beyond June 30 of the past year or for those positions with a non-existent class code. Past year expenditures, if any, for these employees are displayed on the Schedule 8.

Personnel Years System Worksheet—A document completed by each department reflecting the total number of civil service, constitutional, statutory, and exempt positions authorized for the current year as reported in the current (2011-12) Salaries and Wages Publication. The current authorized level is continued into the budget year (2012-13).

The Personnel Years System Worksheet is to be updated and returned to Finance along with the Salaries and Wages spreadsheet. To complete the Personnel Years System Worksheet, the departmental Budget Officers must:

1. Update the authorized levels based on recent constitutional or statutory changes.
2. Report past year personnel years expended based on Schedule 8 reports from the SCO (include all blankets).
3. Insert authorized civil service positions (include all blankets).
4. Add and post position totals.
5. Correct and update "Expenditures" columns (**in thousands**) to correspond with changes for "Personnel-Years" and "Positions." Only dollars are included for overtime.

**DOCUMENTS USED IN THE DEVELOPMENT
OF THE SALARIES AND WAGES PUBLICATION**

6. The "Totals, Authorized Positions" line (both positions and dollars) must agree with the totals on the completed Salaries and Wages spreadsheet. These totals must also agree with the "Authorized Positions" line in the Expenditures by Category and the Changes in Authorized Positions in the budget spreadsheet.
7. Sign each worksheet to certify that the authorized positions reported reflect the approved program.

Abolished Vacant Position Report—A listing of all positions that were vacant for six consecutive monthly pay periods. Beginning July 1, 2002, any state position that is vacant for six consecutive monthly pay periods is to be abolished by the SCO on the following July 1. The six consecutive monthly pay periods may occur entirely within one fiscal year or between two consecutive fiscal years.

Blanket Position Expenditure Report—A listing of established blanket numbers (for overtime, temporary help, seasonal, etc.) with the corresponding dollars and personnel years expended and the remaining balance.

Standard Form 607—Standard 607 position documents received by the SCO by June 15 are normally reflected on the SCO's reports.

Schedule 8 Summary Reconciliation—This summary schedule is prepared by departments to reconcile the total authorized number of positions listed in the 2011-12 Governor's Budget as amended by the Legislature's actions and the Governor's vetoes. These amendments are reflected in the Final Change Book. Differences in the number of positions are to be explained with references to documents which support the changes (see SAM Section 6448).

Payroll Certification Notice—Upon completion of the Schedule 8 Summary reconciliation, departments (department head or designee) must sign the Personnel Years System Worksheet to certify that existing positions established on the SCO position roster, as amended by appropriate department payroll and position documents, reflect the approved program. Certification to the SCO is no longer required (see SAM Section 6521).

ATTACHMENT B

BL 11-19

<i>Word</i>	<i>Abbreviation</i>
academic	aad
academic year	acad yr
account(s)	acct(s)
accounting	acctg
administrative	adm
administration	admin
advisor	advr
affairs	affs
agricultural	agric
agriculture	agri
and	&
appointment	appt
apprentice	apprnt
assessment	assess
assistant	asst
associate	assoc
attorney	atty
automotive	auto
bilingual—bicultural	bi/bi
biology	biol
board	bd
branch	br/brch
building	bldg
bureau	bur
business	bus
Dept of Transportation	Caltrans
captain	capt
career executive appointment	C.E.A.
center	cntr/ctr
certification	cert
chemistry	chem
clerk	clk
compensation	comp
conservation	cons
construction	constrn
control	cntrl
coordinator	coord
corporate	corp
corrections	corrs
correctional	corr
county	co
criminal	crim
curriculum	curr/curric
data processing	DP
department	dept
departmental	deptl
deputy	dep
determination(s)	determ(s)
development	dev/developmt
developmental	develmtl
disability	dis
dispatch	disp
district	dist
division	div
drafting	drftg
duplicating	dup
economic	econ
education	ed/educ

<i>Word</i>	<i>Abbreviation</i>
electrical	elec
electronic data processing	EDP
employee and employer	emp/emp
employment	empt
engineer	engr
engineering	engrng
environment	envirn
environmental	envirtl
equal employment opportunity	EEO
equipment	equipt
evaluation	eval
examination	exam
executive	exec
federal	fed
federal fund	FF
field	fld
general	gen
government	gov
governmental	govtl
handicap	hdcp
health	hlth
high occupancy vehicle	HOV
highway	hwy
hospital	hosp
hydraulic	hyd
hydroelectric	hyd
identification	id
information	info
inheritance	inh
inspector	insp
institutional	instl
instruction	inst
instructional	instl
insurance	ins
intergovernmental	intergovtl
intermediate	inter
international	intntl
junior	jr
laboratory	lab
leadership	ldrshp
legislative	legis
level of care	LOC
licensing	lic
lieutenant	lieut
machine	mach
maintenance	maint
management	mgt/mgmt
manager	mgr
managerial	mgrl
mechanical	mech
medical	med
member	mbr
month	mo
mountain	mt
nonsupervisory	nonsuprvy
occupational	occ
office	ofc
officer	off/ofcr

<i>Word</i>	<i>Abbreviation</i>
operations	ops/oper(s)
operator	opr
organization	org
personnel	pers
pesticide	pest
physical	phys
planner	plnr
planning	plan
power	pwr
prevention	prev
principal	prin
processing	proc
production	prod
professional(s)	prof(s)
program(s)	pgrm/prog(s)
project	proj
property	prop
psychiatric	psych
public	pub
recreation	recre
record(s)	recd(s)
registration	regis
regulatory	reg
rehabilitation	rehab
reimbursement	reimb
representative	rep
reproduction	reprod
residential	res
retirement	ret
river	rvr
secretary	secty
section	sec/sect
senior	sr
sergeant	sgt
service(s)	svc(s)
social	soc
southern	so
specialist	spec
standards	stds
statistics	stat
stenographer	steno
subdivision	sub
superintendent	supt
supervising	supvng
supervisor	supvr
supervisory	supvrl
supervisory	supvry
system(s)	sys(s)
technical	tech
technician	techn
technology	tech
telecommunication	telecomm
television	TV
training	trng
transportation	transp
veterinary	vet
vice president	VP
vocational	voc

0000 STATE DEPARTMENT

ORGANIZATIONAL UNIT Classification	NUMBER OF POSITIONS			EXPENDITURES		
	Filled 2010-11	Authorized 2011-12	Proposed 2012-13	Actual 2010-11 (Salary Range)	Estimated 2011-12	Proposed 2012-13
Administration						
Exec Director	0.9	1.0	1.0	\$8,369-9,053	\$105,300	\$105,300
Program Mgr I	0.8	1.0	1.0	5,079-6,127	64,267	67,483
Assoc Program Officer	0.8	2.0	2.0	4,400-5,348	107,140	112,497
Exec Asst	0.6	1.0	1.0	3,288-3,996	45,674	45,674
Staff Services Analyst	0.9	-	-	2,817-4,446	-	-
PLP Adjustments	-	-	-	-	3,724	15,142
TOTALS, AUTHORIZED POSITIONS	4.0	5.0	5.0	\$256,132	\$326,105	\$346,096
Regular/Ongoing Positions	4.0	5.0	5.0	256,132	326,105	346,096

DOF has inserted a row above the "TOTALS, AUTHORIZED POSITIONS" line to display the adjustments for the PLP issues in the Schedule 8.

This amount must be the net of two calculations: 1) A decrease to display the impact of PLP in 2011-12 on positions vacant as of June 30, 2011. 2) An increase to display removal of the PLP reduction amount calculated for positions filled as of June 30, 2011. These calculations must only reflect an adjustment for the appropriate portion of 2011-12 based on the termination date for your department's PLP.

Increase 2012-13 expenditures by the full year PLP reduction amount calculated for positions filled as of June 30, 2011.